

Message Text

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PAGE 01 QUITO 01008 131759Z

44

ACTION COME-00

INFO OCT-01 ARA-16 ISO-00 SSO-00 NSCE-00 USIE-00 INRE-00

AGR-20 CEA-02 CIAE-00 DODE-00 EB-11 FRB-02 H-03

INR-10 INT-08 L-03 LAB-06 NSAE-00 NSC-10 PA-04 RSC-01

AID-20 CIEP-02 SS-20 STR-08 TAR-02 TRSE-00 PRS-01

SPC-03 FEA-02 OMB-01 SAM-01 DRC-01 /158 W

----- 018232

O 131740Z FEB 74

FM AMEMBASSY QUITO

TO SECSTATE WASHDC IMMEDIATE 9998

LIMITED OFFICIAL USE QUITO 1008

E.O. 11652: N/A

TAGS: ETRD, EIND, EC

SUBJ: EXPORT CONTROLS AND SHORT SUPPLY PROBLEMS

REF: A. STATE 22871; B. STATE 23940

1. THE EXPORT OF A NUMBER OF BASIC RAW MATERIALS IS PROHIBITED OR REDUCED THROUGH THE MECHANISM OF DENIAL OF EXPORT LICENSES BY THE CENTRAL BANK. CENTRAL BANK INFORMED EMBASSY THAT NO EXPORT LICENSES ARE PRESENTLY GRANTED FOR SCRAP METAL, UNFINISHED LEATHER, WOOL, LIVESTOCK, MILK PRODUCTS, FLOUR, AND SUGAR. IN ADDITION, ACCORDING TO INDUSTRY SOURCES, LICENSES ARE USUALLY DENIED TO EXPORT SESAME, PALM KERNELS, PEANUTS, AND RUBBER. EXCEPT SUGAR, ONLY SMALL QUANTITIES OF THESE PRODUCTS WOULD ENTER INTERNATIONAL TRADE WITHOUT CONTROLS. RECENT PROHIBITION OF SUGAR EXPORTS WILL LAST UNTIL THE MID-YEAR HARVEST (QUITO 907). IN THE AREA OF FOREST PRODUCTS, LICENSES TO EXPORT PLYWOOD HAVE BEEN DENIED FOR OVER A YEAR AND LICENSES TO EXPORT VALUABLE HARDWOODS AS LUMBER ARE USUALLY DENIED; THE EXPORT OF LOGS IS PROHIBITED BY LAW.

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2. THESE CONTROLS ARE MAINTAINED TO MEET CONSUMER DEMAND

(FOOD PRODUCTS), TO SAFEGUARD SUPPLIES FOR DOMESTIC INDUSTRY
(RUBBER AND WOOL), AND TO ENCOURAGE MANUFACTURING (LOGS).

3. NO EXPORT TAXES HAVE BEEN INCREASED SINCE JANUARY, 1973.
TREND IS TOWARD LOWER EXPORT TAXES.

4. THERE ARE NO SIGNIFICANT AGREEMENTS TO TRADE BASIC RAW MATERIALS ON BARTER TERMS EXCEPT FOR GOVERNMENT BARTER OF CRUDE OIL TO TEXACO-GULF IN EXCHANGE FOR RECONSTITUTED CRUDE FOR LOCAL REFINERIES (QUITO 443). DUE TO INCONVERTIBILITY OF CURRENCIES, BILATERAL AGREEMENTS EXIST WITH SEVERAL EAST EUROPEAN COUNTRIES TO ASSIST BANANA EXPORTS. IN NEAR FUTURE, GOE MAY MAKE BILATERAL AGREEMENTS TO SEELED GOVERNMENT CRUDE IN RETURN FOR PROVISION OF SCARCE BASIC MATERIALS AND INDUSTRIAL EQUIPMENT.

BREWSTER

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: RAW MATERIALS, CUSTOMS DUTIES, INDUSTRIAL EXPORTS, EXPORT CONTROLS, EXPORT LICENSES
Control Number: n/a
Copy: SINGLE
Draft Date: 13 FEB 1974
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
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Film Number: n/a
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Handling Restrictions: n/a
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Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

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